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SENSITIVE

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TAGS: PGOV ELAB EU FR PINR SOCI ECON
SUBJECT: SARKOZY DEFIES CHIRAC, THEN RETREATS -- AS
"LIBERAL" VERSUS "STATIST" DIFFERENCES IN CENTER-RIGHT COME

TO THE FORE

REF: A. (A) PARIS 5045

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SENSITIVE BUT UNCLASSIFIED -- HANDLE ACCORDINGLY

(SBU) France's Interior Minister and 2007 presidential hopeful Nicolas Sarkozy has again challenged President Chirac's credibility as a leader. In highly publicized remarks on July 14, Sarkozy compared Chirac to King Louis XVI. (Louis XVI is identified in France with ingnoring the winds of change sweeping through the country on the eve of the French revolution.) In a speech a week earlier, Sarkozy questioned the value of the French social model. On July 19, Sarkozy -- in his capacity as president of the center-right Union for a Popular Movement (UMP) party -- received Angela Merkel, head of Germany's center-right Christian Democratic Union (CDU) (reftel A). Both called for changing the social model shared by France and Germany. President Chirac's insistent defense of the French social model contrasts ever more sharply with Sarkozy's insistence on the need for deeper, more free-market oriented reform. With tremendous disarray on the center-left, it is these contending visions on the center-right that are coming to dominate the French political scene. END SUMMARY.

ASSAILING CHIRAC'S LACK OF VISION

(SBU) On Bastille Day, July 14, the Interior Minister usually hosts a garden party after the traditional Bastille Day parade. This year, as is most unusual, Sarkozy made a point of inviting the press. At the event, he delivered a personal, political manifesto to the assembled guests and journalists. Sarkozy's "rival" garden party, as the press billed it, took place at the same time as President Chirac was conducting the traditional Bastille Day interview during the Presidential garden party at the Elysee Palace (reftel B). In his speech at the interior ministry, Sarkozy again sounded the core themes ever more closely associated with him: France needs more market-driven opportunity, less state involvement in the economy, and a political elite connected to the concerns of ordinary people. Sarkozy compared Chirac to Louis XVI who "fiddled with the locks at Versailles while France was rumbling with discontent." Sarkozy's direct, very public assault on Chirac's credibility as a leader reflects his impatience with -- indeed, contempt for -- Chirac's lack of any future-oriented political vision. Sarkozy portrayed himself as committed to "doing my best" to end "immobilism and the masking of the facts," and provide "effective responses to the concerns of ordinary Frenchmen and women."

DEFENDERS OF THE OFFICE TAKE OFFENSE

13. (SBU) Predictably, a portion of the public felt Sarkozy had gone too far, insulting the President of the Republic and the dignity of the office. Chirac's supporters, the dignity of the office. Chirac's supporters, specifically, President of the National Assembly Jean-Louis Debre, played to this current in public opinion by accusing Sarkozy of "harassing the President." In addition to mediatizing his garden party, Sarkozy had, a few days before, harshly questioned the relevance of Chirac,s Bastille Day interview. ("Why does Chirac perpetuate this tradition?" Sarkozy reportedly asked. "It's not relevant at the moment"). Appearing on a public affairs broadcast, Debre in interior minister want? To show his displeasure at not being chosen prime minister? To prevent the success of the (Villepin) government to further his career?" In response, having successfully reminded the public that he is a challenger of the establishment and advocate of change, Sarkozy backed off. A week after Bastille Day, in an interview with a leading daily, Sarkozy depicted himself as a team player, committed to supporting the success of the Villepin government, of which he is the second-ranking member.

COMMENT: SWITCHING BETWEEN COMPLEMENTARY ROLES

14. (SBU) Sarkozy's image management is a difficult balancing act. On the one hand, he needs to keep projecting himself as a credible leader of change. This requires periodic sallying forth to excoriate the highly unpopular political class to maintain his image as an alternative to that class. It also requires regularly affirming his pro-market, reformist views, which are considerably more "liberal" (in the Europeans sense of the term) than those of Chirac and most of the political elite. On the other hand, in order to reassure doubters among the public of his steadiness -- his fitness for high office -- Sarkozy is also intent on performing well in a key establishment role -- interior minister. Central to achieving his ambitions is convincing a majority of voters in 2007 that he can responsibly lead France's successful adaptation to globalization, as Chirac has markedly failed to do. Interior Ministry issues -- counter-terrorism, safe streets, immigration, etc. -- are issues that matter to middle class voters. Credibility in the quintessentially establishment role of interior minister is every bit as important to Sarkozy as is his credibility as an anti-establishment reformer. His message dismissing Chirac and bluntly questioning France's social model is as carefully calculated as are his initiatives and image as interior minister -- for example, his calls for a tougher immigration regime, and his unfailing, and well publicized, appearances at the funerals of police and firemen killed in the line of duty.

COMMENT CONTINUED: CONTENDING VISIONS ON THE CENTER-RIGHT

15. (SBU) With the center-left Socialist Party (PS) in deep disarray, the run-up to the 2007 presidential election will likely see accentuation of contending visions on the center-right. The outlook of Chirac and Villepin is that the French social model can be successfully adapted, without major change in the direction of social and economic policy and without a significant shift in the role of the state throughout French society. Sarkozy is challenging that "neo-Gaullist" approach. He believes that the government, as led by the political class, is not responding to the needs of ordinary people. Successful reform then requires considerable change in the ethos of the political class, along with considerable change in the direction of social and economic policy. In Sarkozy's view, without such deeper change, France's huge and omnipresent bureaucracy will remain more a hindrance to, than enabler of, economic initiative and social harmony. End Comment.